

**OPINION
51-178**

June 7, 1951 (OPINION)

TAXATION

RE: Gasoline

You have submitted the following questions to this office for an opinion:

We submit the following questions which we would like to have interpreted. Please let us know whether or not the following Federal Government Agencies are exempted from the North Dakota gasoline tax.

1. Federal Government-owned vehicles operated exclusively by Federal Government personnel.
2. Federal Government-owned vehicles operated by private contractors which are engaged in the performance of Federal Government contracts.
3. Privately-owned vehicles used by contractors while engaged in the performance of Federal Government contracts.
4. Privately-owned vehicles operated by Federal Government personnel while engaged in Federal business."

The new law which goes into effect July 1 provides that the tax is on the consumer, and by reason thereof the United States Government would be exempt from the payment of the tax.

We hold that regarding gasoline for vehicles mentioned in Number 1 of your question it is exempt from the tax, but under Numbers 2, 3 and 4 we hold that the gasoline purchased for the vehicles therein mentioned is subject to the tax.

For your guidance we suggest that you determine if it is federal money that purchases the gas. In such case the tax would not apply, but if the gas is purchased by an individual acting under contract with the government, the individual is not entitled to the benefit of the tax exemption.

ELMO T. CHRISTIANSON

Attorney General